Advisory Committee (PMAC) to review the entire issue process *inter-alia* with an objective to reduce the time gap between closure of an IPO and its listing. PMAC is currently examining all relevant aspects of issue process to make it more cost efficient.

Reduction in time gap between closure and listing of public issue would, *inter alia,* safeguard the interests of investors by ensuring that investors would get faster refunds in IPOs as their money would not be blocked.

(c) and (d) The period of completion of issue process varies from jurisdiction to jurisdiction, which, in turn, depends upon the way in which the public issue is made. In USA, the closing and settlement process generally takes 3-4 days from closure of issue, mainly because the issuer company allots shres to the investment bankers, who in turn allocate the shares to investors.

(e) and (f) SEBI is keeping a constant vigil on the market, irrespective of the levels of the Sensex and has taken immediate action wherever warranted. SEBI has been conducting regular and weekly meetings with Surveillance officials of the stock exchanges. The stock exchanges have been advised to step up their own surveillance measures and to initiate expeditious demonstrative action wherever warranted so as to protect investors' interest and ensure orderly functioning of the stock market. Several scrips have been shifted to Trade to Trade segment to discourage abnormal day-trading and speculation. Circuit filters/price bands have been imposed on several scrips. Additionally, from time to time the Stock Exchanges also are issuing list of Do's and Dont's through leading English and Hindi newspapers for investors with regard to dealing in securities. SEBI also emphasises the same through its periodically conducted investor education programmes.

SEBI's market development measures include introduction of fast track issues, introduction of qualified institutional placement and introducing new derivative products in the market.

Circulation of fake currency notes

2370. SHRI M.V. MYSURA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that fake currency notes are in circulation in the country;

(b) if so, the details thereof;

(c) whether any enquiry has been conducted to identify the source of such currency notes;

(d) if so, the details thereof; and

(e) the steps taken by Government to prevent such fake currency in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (e) Information is being collected and will be laid on the Table of the House.

Loss in valuation of exchange rate

2371. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a report of RBI has shown that the valuation loss between the March Exchange Rate and September Exchange Rate is around Rs. 92383 crores and the

valuation loss between the June Exchange Rate and December Exchange Rate is around Rs. 31143 crores;

(b) whether this kind of situation would ever occur or have occurred in any other country; and

(c) if so, how did they manage while India could not do it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Gains/losses on valuation of foreign currency assets and gold due to movements in the exchange rates and/or prices of gold are not taken to Profit and Loss Account of the RBI, but instead booked under a balance sheet head named as Currency and Gold Revaluation Account (CGRA). The balance represents accumulated net gain on valuation of foreign currency assets and gold. At the year-end, assets and liabilities in foreign currencies are translated at the exchange rates prevailing on the last business day except in cases where rates are contractually fixed. Exchange gains and losses arising from translation of foreign currency assets and liablities, which are essentially holding gains and not actual gains, are accounted for in CGRA and remain adjusted therein. The above reflects prudent accounting practice for Central Banks. The Annual Report of Reserve Bank of India for the year 2006-07 indicates the balances in the CGRA as at the end of June 30 were Rs. 51,276.41 crore in 2002-03, Rs. 62,283.04 crore in 2003-04, Rs. 26,906.21 crore in 2004-05, Rs. 86,789.18 crore in 2005-06 and Rs. 21,723.52 crore in 2006-07. As the US dollar — a widely held reserve currency — is depreciating against other major currencies, similar valuation losses could be reported in the balance sheets of the Central Banks of other countries, for which no separate information is available with the Government of India.

Duty free import of rubber

2372. SHRI T.T.V. DHINAKARAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is proposed to allow duty free import of rubber to meet the shortage;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) At present, there is no proposal under consideration for exemption of import duty on rubber.

(b) Does not arise in view of reply to part (a) above.

(c) At pre-budget, 2008-09 stage, we had received some requests for reduction of import duty on natural rubber, which were examined but not acceded to. Interests of all concerned including rubber growers have to be taken into account while considering any reduction in import duty on rubber.

Integrated policy for importing wheat and edible oils

†2373. SHRIMATI SUSHMA SWARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that need for formulation of an integrated policy for importing wheat and edible oil, is being felt;

† Original notice of the question was received in Hindi.